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TAGS: [PREL](#) [PTER](#) [PHUM](#) [MARR](#) [MASS](#) [KPAL](#) [KWBG](#) [EG](#) [IS](#)

SUBJECT: ISA CHIEF DISKIN ON SITUATION IN THE GAZA STRIP AND WEST BANK

REF: TEL AVIV 1705

Classified By: Ambassador Richard H. Jones. Reasons: 1.4 (b)(d).

¶11. (S) SUMMARY: In a June 11 meeting that entailed discussion of the benchmarks (reftel), Israeli Security Agency (ISA) Head Yuval Diskin shared his assessment of the current situation in the Gaza Strip and West Bank, painting a picture of a desperate, disorganized, and demoralized Fatah in the Gaza Strip, versus a well-organized and ascendant Hamas. Speaking before the dramatic events of June 12-13 in Gaza, Diskin qualified that Hamas is currently not in a position to completely destroy Fatah. Diskin said that he opposes USSC LTG Dayton's proposal to equip security forces loyal to Palestinian Authority President Abbas and Fatah, as he is concerned that the provisions will end up in the hands of Hamas. He claimed that the security forces loyal to Abbas and Fatah have been penetrated by Hamas, and pointed to a recent incident in which Hamas reportedly seized heavy machine guns from Abbas' Presidential Guard. Diskin noted that the failed hostage-taking attempt two days earlier at the Kissufim crossing had been carried out by Palestinian Islamic Jihad (PIJ) and Al-Aksa Martyrs Brigades militants, and led by PIJ. He said that ISA had no prior information about the attack, and described it as "operationally creative." Diskin said that overall counter-tunnel cooperation with Egyptian security forces has improved over the last two months, but claimed that the Egyptians still only react to intelligence supplied by ISA, and are otherwise not proactive.

¶12. (S) SUMMARY, CONT.: Diskin described the overall security situation in the West Bank as comparatively better, and praised the level of cooperation ISA receives from the Palestinian security services operating in the West Bank. That said, he lamented what he characterized as a crisis of leadership in Fatah, with PA President Abbas already focusing on his retirement, and his possible successors incapable of leading the Palestinians in both the West Bank and the Gaza Strip. Diskin especially criticized PA National Security Advisor Muhammad Dahlan as attempting to lead his loyalists in the Gaza Strip by "remote control" from abroad. Diskin said that Fatah is on its "last legs," and that the situation bodes ill for Israel. He noted his intention to discuss some ideas on how to deal with the situation with PM Olmert in the near future, and said he would share his thoughts afterwards with the Ambassador. END SUMMARY.

DISKIN DESCRIBES SITUATION FOR FATAH IN GAZA AS DESPERATE

¶13. (S) Speaking before the dramatic events of June 12-13, Diskin said that Hamas is dominant in the Gaza Strip, but is not yet strong enough there to completely destroy Fatah. The

difference, he explained, is between the "quality" of Hamas, and the "quantity" of Fatah's security apparatus that is loyal to Palestinian Authority (PA) President Abbas. Hamas is dominant in most areas. In the Gaza Strip, it can win every fight with Fatah, but Fatah can do it harm in its "chaotic" way of fighting. Diskin said that some Fatah members are being paid by National Security Advisor Muhammad Dahlan, while others are being paid by Abbas -- especially the Presidential Guard. He noted that the Presidential Guard had been involved in the June 10 clashes at the Rafah crossing.

BUT NOTES HE OPPOSES PLAN TO SUPPORT FATAH SECURITY FORCES

¶ 14. (S) Diskin noted that he had heard earlier on June 11 from Palestinian sources that Hamas had succeeded in stealing some "Doshka" heavy machine guns from the Presidential Guard. He said that this is an example of why he does not support "at this time" USSC LTG Dayton's proposal to supply ammunition and weapons to Fatah: "I support the idea of militarily strengthening Fatah, but I am afraid that they are not organized to ensure that the equipment that is transferred to them will reach the intended recipients." Diskin claimed that most of the Fatah-aligned security forces have been penetrated by Hamas. He reiterated that he does not want to see any equipment transferred to them before he is convinced that the equipment will arrive at its intended destination.

¶ 15. (S) Diskin raised as another matter the question of whether Fatah will be able to hold on to any equipment provided to it. He expressed concern about Fatah's organizational capabilities, and what he characterized as a

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glaring lack of leadership: "Dahlan is trying to manage Fatah's security forces by remote control. We are not even sure where he is." (NOTE: Diskin's aide said he believed Dahlan is in Cairo. But on June 13, Diskin told the Ambassador that Dahlan had surfaced in Amman the day before. END NOTE.) Diskin continued: "Fatah is in very bad shape in the Gaza Strip. We have received requests to train their forces in Egypt and Yemen. We would like them to get the training they need, and to be more powerful, but they do not have anyone to lead them." Diskin also made clear his reservations on training Palestinians in a country like Yemen with a strong Al-Qaida presence.

¶ 16. (S) Diskin's aide said that the security forces at the Rafah crossing are strong, but are demoralized with the overall situation in the Gaza Strip. Diskin added that their communications with the ISA had become "desperate," and indicated no hope for the future. He observed that there is a young generation of leaders among Fatah who are being "pushed" by Dahlan and who have a sense of the urgency of the situation and what needs to be done. At the same time, however, they are not behaving in a way that is to be expected by people in their urgent situation. Diskin observed, "They are approaching a zero-sum situation, and yet they ask us to attack Hamas. This is a new development. We have never seen this before. They are desperate."

DISKIN: SITUATION IN WEST BANK BETTER THAN IN GAZA

¶ 17. (S) In the West Bank, Diskin said that ISA has established a very good working relationship with the Preventive Security Organization (PSO) and the General Intelligence Organization (GIO). Diskin said that the PSO shares with ISA almost all the intelligence that it collects. They understand that Israel's security is central to their survival in the struggle with Hamas in the West Bank.

¶ 18. (S) While he described this overall relationship with the

Palestinian security services in the West Bank as healthy, Diskin noted that Fatah did not react to the last set of Hamas attacks in the West Bank due to the current "mood" of GIO leader Tawfik Tirawi. Diskin explained that Tirawi (whom he described as psychopathic, cruel, dangerous and prone to extreme mood swings) is disaffected and feels that his status has declined, and that he is no longer respected by Abbas. Diskin claimed that Tirawi also feels that his relationship with Dahlan has deteriorated. Diskin said that he hopes to meet with Tirawi the week of June 17 to dissuade him from "doing stupid things, as he is trying to develop ties with the Dughmush family in the Gaza Strip."

DISKIN ON ABBAS: HE HAS FAILED. NOBODY CAN LEAD FATAH NOW

¶ 9. (S) Diskin said that Abbas views Fatah as weak and "on its last legs," and incapable of being rehabilitated within six months. Stressing that it was his own opinion (and not necessarily shared by the GOI), Diskin said that Abbas is starting to become a problem for Israel: "He's a paradox. He cannot function and do anything. Why is Fatah failing? Because Abbas has become the 'good guy' whom everyone is trying to do everything for in order to keep him alive. Everyone is afraid of the alternative, and yet Abbas is already talking about how he plans to retire from the political scene after his term ends in 2008. He knows he is weak and that he has failed. He has failed to rehabilitate Fatah. He did not start to take any action when he had the chance in 2004. Instead of choosing to be the leader for Fatah, he chose to be a national leader for all Palestinians." Diskin lamented that the current situation suggests that nobody can now assume leadership of Fatah. Dahlan, he said, can only lead in the Gaza Strip -- if that -- and Marwan Barghouti can lead in the West Bank, but not the Gaza Strip. "It is something in their blood," he said, "the leaders of the West Bank cannot rule the Palestinians in the Gaza Strip and vice versa." Diskin warned that Palestinian society is disintegrating, and that this bodes ill for Israel. He said that he has some ideas about how to address this that he wishes to discuss with PM Olmert, and would share with the Ambassador afterwards: "We have to give Fatah the conditions to succeed, but we cannot do this through your benchmarks (reftel)."

DISKIN ON ISA COUNTER-TUNNEL COOPERATION WITH EGYPTIANS

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¶ 10. (S) Responding to a question from the Ambassador, Diskin said that cooperation between Egyptian and Palestinian security forces recently led to the discovery of some tunnels in the Gaza Strip. He said the ISA occasionally hears that tunnels are found in the Gaza Strip, and while he is inclined to believe the information, he admitted that ISA cannot always verify it. Diskin said that ISA's cooperation with Egyptian security services has improved over the last two months after their respective delegations had met. That said, he claimed that fundamental challenges remain unresolved: "They react on the intelligence that we provide to them, but they are not proactive." He lamented that there has been no dramatic change in the tunnel situation, adding that there are still many tunnels running under the Philadelphi corridor.

DISKIN ON THE FAILED ATTACK AT KISSUFIM; THREATS ON FAYYAD

¶ 11. (S) Referring to the failed June 9 attempt by Palestinian militants to kidnap Israeli soldiers stationed at the Kissufim crossing between Israel and the Gaza Strip, Diskin said that Palestinian Islamic Jihad (PIJ) and Al-Aksa Martyrs

Brigades carried out the attempt under PIJ leadership. He said that the militant who guided the attack was one of PIJ's main operatives in the northern Gaza Strip. Diskin said that the attack was staged against an empty post, but designed to appear dramatic. He admitted the attackers were operationally very creative, and that ISA had no indication that the attack was going to take place: "This was another ISA failure. We had no intelligence on the attack in advance."

¶12. (S) Responding to the Ambassador's question, Diskin said that he had not seen any specific evidence about threats to PA Finance Minister Salam Fayyad. He observed, however, that as a former Fatah activist, Fayyad ought to be concerned about his own security. Diskin noted that the man thrown by Hamas militants from the roof of a 15-story building in the Gaza Strip the day before was a member of Force 17.

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JONES

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